

## **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.



321  
87F-3



# Farm Broadcasters Letter



CURRENT SERIAL RECORDS

Letter No. 2300

February 19, 1987

## FmHA COMMENT PERIOD EXTENDED

The public comment period on proposed revisions to improve federal farm credit regulations will be extended by 30 days, from Feb. 17 to mid-March. According to the Deputy Secretary of Agriculture Peter C. Myers, "The Farmers Home Administration is a vital source of last-resort financing for American farmers. We welcome informed scrutiny of its work, and this 30-day extension will enable Members of Congress and other interested parties to do just that." The proposal appeared in the Jan. 15 Federal Register.

## CATTLE ON FEED

Cattle and calves on feed Feb. 1 for slaughter market in Arizona, California, Colorado, Iowa, Kansas, Nebraska and Texas totaled 7 million 290 thousand head, down 5 pct. from a year ago and 11 pct. below Feb. 1, 1985, according to the U.S. Department of Agriculture. Marketings of fed cattle during January totaled 1 million 770 thousand, 1 pct. above last year.

## FARM DEBT

Out of nearly 670,000 U.S. farmers with production or sales of at least \$40,000 in 1985 who were operating in 1986, about 102,000 are experiencing financial stress severe enough to threaten their ability to continue farming. These farmers owed about \$33 billion of the \$94 billion of business debt owed by commercial-size operators in early 1986. However, the U.S. Department of Agriculture estimates that nearly half the Nation's 2 million 200 thousand farms, most of them small, are virtually debt-free. Of the \$33 billion, lenders may risk losing approximately one-fourth, or \$6-\$10 billion, even if the farmers' assets were sold. Losses by the FmHA could total about \$2½-3 billion; by the Farm Credit System, about \$2 billion. About 86 pct. of these potential losses are from approximately 44,000 operators who were technically insolvent in early 1986.

## WHEAT SALE TO CHINA

Private exporters reported to the U.S. Department of Agriculture export sales of 150,000 metric tons of hard red winter wheat for delivery to China during the 1987-88 marketing year.

## EXPANSION IN THE BARNYARD

In 1986, broiler producers had more orders than they could fill. The demand, plus continued profits, are encouraging producers to boost output again. According to the U.S. Department of Agriculture, this year's production may be 6 pct. larger than last year's. Turkey growers, too, are expanding production, possibly 15 pct. from 1986.

## OUTLOOK FOR MEAT PRICES

According to the U.S. Department of Agriculture, meat prices in 1987 are likely to change only modestly from 1986, as large total meat supplies hold down price increases. Choice beef prices at retail may rise only 3 to 5 pct. Retail pork prices are likely to average near the 1986 record, but they will be declining moderately through much of the year. Wholesale broiler prices may average below a year earlier, particularly during the second half. Wholesale turkey prices, already below a year ago, are likely to average 5 to 10 cents a pound less than 1986. Last year meat consumption totaled a record 215 pounds per person. In 1987, the figure may be only 2 pounds less, for the third highest level on record.

## USDA SEEKS COMMENTS ON GRAIN GRADING

The U.S. Department of Agriculture's Federal Grain Inspection Service is requesting public comments on adopting an optimal grading system for grain, and on how the U.S. standards for grain can be revised to improve grain quality. An optimal grading system would establish a sample grade representing "optimal" condition for a type of grain. Grain would then be graded numerically based on its deviation from the optimal grade. For grain to be designated optimal, it could not contain more than one-half of one percent foreign material or damaged kernels. Submit public comments by Apr. 13 to Lewis Lebakken, Jr., USDA, FGIS, Room 1661-S, Washington, D.C. 20250. Phone: 202-382-1738.

## FARM WORKER WAGES

Wage rates for all hired farm workers ranged from \$4.86 per hour in Arizona and New Mexico to \$7.84 per hour in Hawaii during a week in Jan. 1987, according to the U.S. Department of Agriculture. In California, farm wage rates increased 38 cents per hour from Jan. 1986 to \$5.87. Florida's rate, at \$6.13 per hour, was up \$1.09 from the comparable week last year. Approximately 44 pct. of the hired workers in the seven surveyed states received benefits, such as housing or food, in addition to their cash wages. Housing was provided to about 12 pct. of the workers.

## 1986 MILK PRODUCTION

Milk production during 1986 totaled a record high 144 billion pounds, exceeding the previous record high set in 1985 by 1 pct., according to the U.S. Department of Agriculture. The output per cow, at 13 thousand 300 pounds, was 299 pounds above 1985. The annual average number of cows was 10 million 800 thousand head, 2 pct. below the 1985 average.

## DAIRY TERMINATION PROGRAM

An estimated 10,800 head of dairy cattle were slaughtered in federally-inspected plants during the week ending Jan. 30 as a result of the Dairy Termination Program, according to the U.S. Department of Agriculture. The cumulative total of cattle slaughtered under the program from April 1 through January 30 is an estimated 971,200 head.

## BEEF SUPPLIES TO DECLINE

The U.S. Department of Agriculture expects the beef supply to be lowered 6 to 8 pct. in 1987, due to reduced cattle inventories and an end to herd liquidation.



FROM OUR  
TELEVISION  
SERVICE

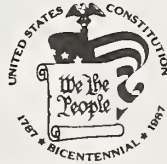
SOVIET GRAIN SITUATION...USDA analyst Keith Severin talks about the current Soviet grain situation including the recent announcement of a reorganization of agriculture with an emphasis on the use of technology. Vic Powell interviews. (131)

AGRICULTURE'S FINANCIAL PROFILE...USDA economist Dave Banker focuses on the results of a survey recently taken to determine the farm sector's overall financial performance, including cash flow and financial stress. Vic Powell interviews. (132)

FARM PROGRAM PAYMENTS...One of the goals of a survey recently taken to determine the farm sector's financial performance, was to find where the billion of dollars are going in payments and crop loans that are distributed by the U.S. government. USDA economist Dave Banker comments on the findings. Vic Powell interviews. (133)

SOUTHWESTERN CORN BORER...The Southwestern corn borer is a major pest of corn, particularly in the southern region of the United States. USDA scientist Frank Davis describes research efforts currently being tested using pheromones to control this insect. Vic Powell interviews. (134)

CHAPTER 12 BANKRUPTCY LAW...Al Bock, University of Illinois, takes a look at the Chapter 12 bankruptcy law and how it can provide considerable relief for farmers in financial difficulty. Gary Beaumont interviews. (135)



FROM OUR RADIO  
SERVICE

AGRICULTURE USA #1551...(Weekly 13½ min documentary) Japan is one of the United States' biggest and most steadfast trading partners, yet it is also the country with whom the U.S. has numerous trading conflicts. Doug Wakefield discusses trade problems with several experts on Japan.


AGRITAPE/FARM PROGRAM REPORT #1540...(Weekly reel of news features) USDA news highlights; Conservation reserve sign up continues; Growth hormone: Another opinion; Insects can help farmers control weeds.

CONSUMER TIME #1033...(Weekly reel of 2½-3 min features) Backyard orchards; New flying roaches; Except for the U.S., smoking on the rise everywhere; Are we slacking off on good nutrition?; Scientist's discovery may eventually lower prices of potatoes to consumers.

USDA RADIO NEWS SERVICE...Wed, Feb. 25, Poultry production report; Thurs, Feb. 26, Vegetable outlook; Fri, Feb. 27, Ag. prices report, Livestock and poultry outlook; Tues, Mar. 3, Fruit outlook, Crop and weather update; Fri, Mar. 6, World cocoa situation; Mon, Mar. 9, U.S. crop production, Soviet grain outlook, World crop supply/demand. Dial the USDA National News Line 202-488-8358 or 8359. All material changed at 5 p.m. ET each working day.

OFF MIKE

Weather is weird. That's a fact. Especially this winter. As you know, if you've read this column over the past several weeks, we've had some "fun" weather here in the Washington, D.C. area this winter with back-to-back snow storms. Now we've dodged the bullet the past couple days. Two storms were zeroed in on this part of the country. But one stayed south of us and hit southern Virginia and North Carolina hard...and that's weird. The other storm just sorta pooped out, and it's a beautiful blue sky day outside right now. The weather guessers were expecting at least 1-2 inches of snow for the home bound commuters, and that's enough to scare the pants of anyone around here. When two storms hit back in January, Lee Bullis (McGavren/Guild, Houston, TX) got caught. He flew into Dulles Airport (last flight to land) and was to go on to Richmond the next day. Wrong. He checked throughout the day and was always assured the flight would leave...that is until it was time to get to the airport. Then he learned all flights on all airlines were cancelled. So, he caught a cab to the train station (another adventure in itself...and expensive) and went to New Jersey (which was his next stop after Richmond). Once on the train he learned there was no coffee or tea available. The water was frozen on the train. So he just had to make do with what he had. Lee also told us that Glenn Kummerow (KATZ Radio Group, Chicago) flew out of Chicago for Richmond that same Sunday, couldn't land, went on to Norfolk, Virginia. There the airline told passengers they wouldn't be able to get into Richmond and were returning to Chicago. So, Glenn had an interesting round trip and got no where, especially not Richmond. Then we learn from Bob Bosold (WAXX, Eau Claire, WI) that they only had eight days of below zero temperature in January. The normal is 16 days. And they only had one day when it stayed below zero for an entire 24 hours, which, as Bob says, "That was very unusual." Like we said, weather is weird.

  
 JAMES L. JOHNSON, Chief  
 Radio and Television Division

POSTAGE & FEES PAID  
 U.S. Dept. of Agriculture  
 AGR-101



Farm Broadcasters Letter  
 Radio and Television, Rm. 410-A  
 Office of Information, OGP  
 U.S. Department of Agriculture  
 Washington, D.C. 20250

OFFICIAL BUSINESS  
 Penalty for Private Use, \$300